



Renaissance Community Co-op

A Community Owned Grocery Store



House Committee on
Food Deserts
NC General Assembly

February 24, 2014



Food deserts aren't just
about food access

I moved to Northeast Greensboro in 1971. I raised my family there, I shopped there, I made friends there.



In 1998, our neighborhood grocery store closed its doors - despite the fact that it was profitable - due to changes in Winn-Dixie's national strategy.

That launched a long, slow decline of the entire shopping center, which cast a shadow over the surrounding neighborhood.

In 2012, We Decided to Do It for Ourselves



For years, my neighbors and I worked with the City to attract a chain grocer, but no one came.

After 14 years of waiting for someone else to solve our problem, we decided to do it for ourselves, and open our own community-owned grocery store.



The Vision

To Build Community Health and Wealth

What does Northeast Greensboro need?



A full service, co-op grocery store

Greater economic opportunity

- Good jobs
- A way to circulate money within this community

An opportunity for the people to build the community they want & need

 Our grocery store will meet these needs by offering:



A wide range of healthy foods:

- Fresh fruits
- Vegetables
- Meats

At affordable prices,
right in our neighborhood!

 Our grocery store will meet these needs by offering:



An attractive,
welcoming
store that the
community
deserves.



Our grocery store will meet these needs by offering:



Decent jobs

- With good pay and benefits
- Filled by people from the community

 Our grocery store will meet these needs by offering:



A store owned by
the community
with a mission of
building
community health
& wealth



So, what might our co-op
grocery store look like?



Our Full Service Community-Owned Grocery Store...



will stock the same items as traditional grocery stores.



We'll have a dairy section,



well-stocked fresh meat department,



fresh fruits,



affordable vegetables



will be plentiful.



A wide variety of goods



will meet the needs of its customers.



We plan to include a deli department,



bakery goods, made-to-order sandwiches,



ready-to-eat prepared foods,



and hopefully a hot bar.



Our store will be welcoming & responsive to community needs & wants.



It's the members of the co-op who decide:



what types of foods,



kinds of goods,



and services the co-op should provide.



Community Ownership

Means more jobs, higher wages, better prices, stability





Our store will create Jobs & Community Wealth

- The majority of the store's employees will come from...
- Profits will be returned to...
- The store will never leave to make more money elsewhere. It will STAY in...

Our Community.

	Within 3 Years
Money put back into the community	\$2 Million
Jobs Created	30+ Jobs
Store will be profitable within 5 years	



Our store will create Community Health

Our Co-op Grocery Store

- Will stock healthy foods at prices people can afford
- Will become a gathering & teaching space for health education
- Will be a welcoming, attractive heart of the community



Community Ownership

Means a true community renaissance





What is a co-op?

Definition: A business that is democratically owned and controlled for the benefit of its community members

Same as other businesses	Different than other businesses
Must be based on sound business practices	Traditional businesses solely benefit stockholders
Must be profitable	Co-ops serve their community members



Community Ownership

It means we're all responsible





Membership in the Co-op

Anyone can shop at the co-op, but members are something special—THEY'RE OWNERS!

Membership gets:

- A say in the direction of the store
- A vote on leadership of the store
- A stake in your community's future
- There's no annual fee to join
- One time, Lifetime membership costs \$100
- Payable in monthly installments



The RCC will gross approximately \$4 million/year

- Shown by independent market study & detailed financial projections
- Each week, the neighborhood spends \$1.34 mil dollars on groceries
- The co-op needs less than 5% of those sales to succeed
- The store will be profitable within 5 years



How much will it cost to get up & running?

- + **Training** (on co-op governance & the grocery industry)
- + **Equipment** (refrigeration, shelving, point of sale system)
- + **Inventory** (food and other goods on the shelves)
- + **Professional Fees** (architects, designers, data systems experts)
- + **Staffing Before Opening Day** (plenty of training)
- + **Working Capital**

\$1.65 Million Total



Where will the money come from?

Community \$100k Co-op memberships (1000 @ \$100) (\$5k received)
 \$200k Loans from community members
 \$25k Grassroots Fundraising

Foundations \$250k Grants (\$95k received)

Government \$600k Greensboro Economic Development Loan
 \$100k Greensboro Economic Development Grant
 \$200k Federal & State grants/incentives (e.g., HFFI)

Loans \$125k CDFI & Cooperative Funding Sources
 \$50k Community Foundation Loan (\$50K received)

\$1.65 Million Total

Our Partnership with Self Help

The City of Greensboro, which currently owns the shopping center, is poised to sell it to Self Help Ventures Fund



- Self Help is working closely with the RCC as its first choice for its grocery anchor store
- They have offered to pay for up to \$350,000 in leasehold improvements, which means we get to borrow less \$\$\$!



Can we do it? Yes!

We have know-how, energy & commitment

In addition to:

- An engaged, talented board of nine Community Members
- A full time staff member and an official office
- Technical support from experts in co-ops, community organizing, finance, developing full-service grocery stores:
 - The Fund for Democratic Communities (coop experts)
 - Uplift Solutions (urban grocery experts)
 - Self Help Ventures Fund (finance experts)

Look at what we've accomplished so far!



Hundreds
of people
attending
monthly
RCC
community
meetings

Look at what we've accomplished so far!



Consistent,
positive
media
coverage
and city-wide
relationships



Look at what we've accomplished so far!



Already raised:

- \$50,000 low-interest loan from CFGG
- \$95,000 of grant support from F4DC (in 2013-14)
- \$43,500 from people interested in making owner loans



What's the timeline?

We're preparing for a January opening

It depends on:

- How quickly the City moves to sell the shopping center
- How quickly construction proceeds and whether there are hang-ups in the renovation process
- How quickly we can pull our financing together





Our Path Forward

We need FAITH and YOU!

We're making great progress, but this is a community effort, and we need investments of time and resources from:

- Folks in the community
- The City of Greensboro
- Foundations
- State and Federal Cooperation and Incentives
- Patient Capital



How the State of NC Can Help

1. Make sure cooperative business models are taught in NC schools & universities
2. Require state-funded business support efforts (e.g., NC Dept of Commerce Business Development) to become familiar with and supportive of coop business models
3. Ensure that the NC Securities Division is fully familiar with the nature of Owner Loan and Preferred Stock investment programs that are typical finance tools in food coops – do what you can to streamline processes & communications



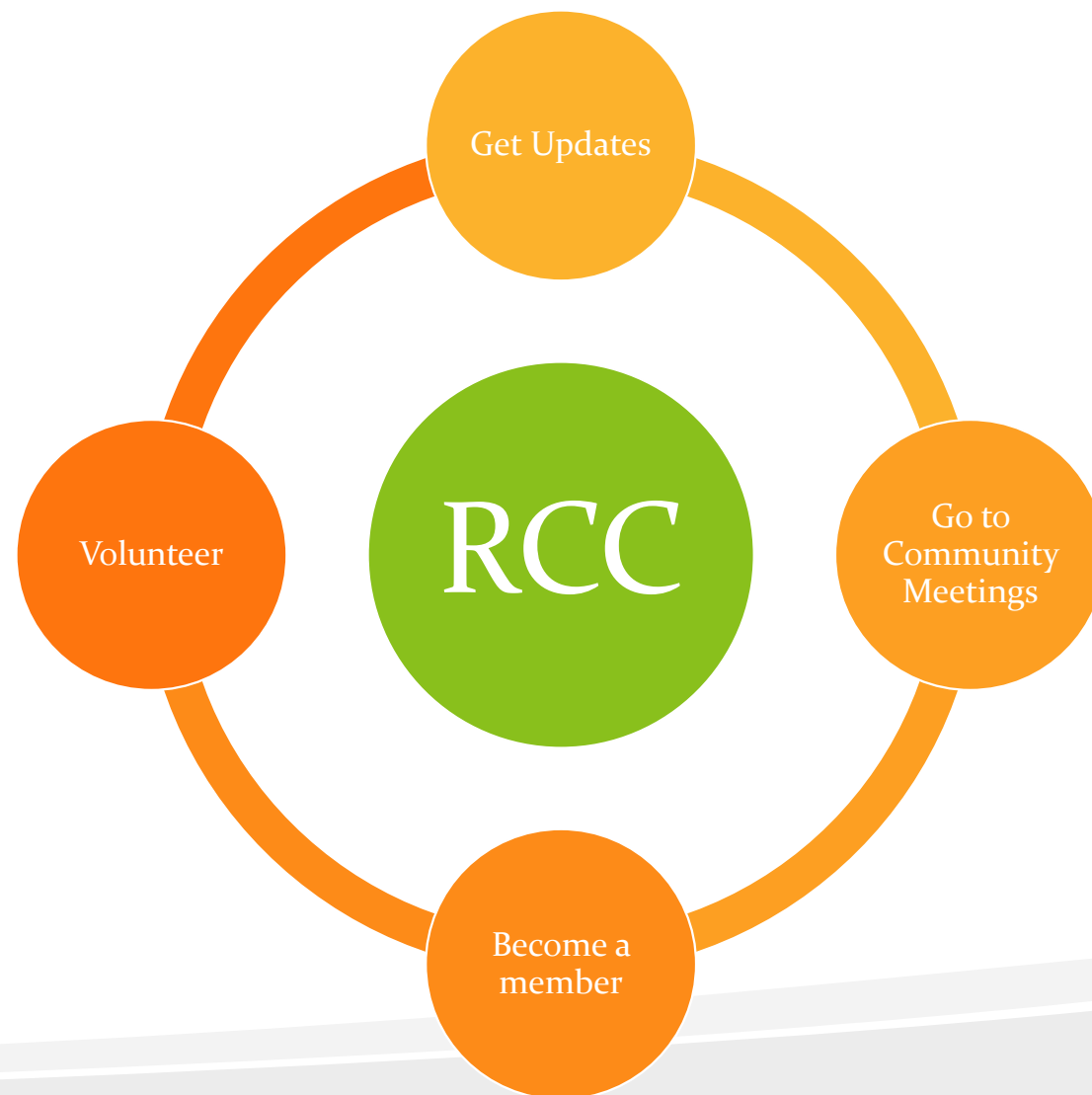
How the State of NC Can Help

4. Provide grants and low-cost patient loans to food coop ventures designed to fill food desert gaps
 - Make sure these grants are targeted to efforts that are
 - a) Truly community-based
 - b) Anchored in low-income food desert areas
 - Low-income areas need a hand on capital accumulation, but once coops get established with sound management and strong democratic governance, they will be self-sustaining!



The RCC needs YOU!

- **Sign up** for email updates
- **Attend** RCC Community Meetings
- **Become** an RCC member
- **Volunteer** to help raise money & membership





We Can Do This!

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